



Retailer News

Issue 3

April 2004

First BIG Winner

The North Dakota Lottery sold its first big winning ticket for the first Powerball draw held in the state on Saturday, March 27th. The quick-pick ticket worth \$5,000 was purchased at the Simonson's Station Store on Broadway in Minot. Congratulations!



If the player had purchased the Power Play option, the dollar amount won would have been \$10,000 (the Power Play multiplier for that draw was 2). Within this newsletter is information on the Power Play multiplier to help retailers and players understand the option and how to play.

Retailer News is provided free of charge to each licensed retailer, Lottery Advisory Commission member, Scientific Games, and H2M.

INSIDE THIS ISSUE:

Lottery News Roundup	2
Questions and Answers	3, 4
Lottery Retailers—Exceptional	5
Power Play - "The Multiplier"	6
Power Ball & Power Play Odds	7

Lottery News Roundup

Thank you to all the retailers that hosted one of the six ceremonial celebrations within their respective city. Thank you also to those retailers who had held their own celebrations within their stores. The excitement throughout the state from that first day was overwhelming and continues.

Top Ten Lottery Retailers

As the Powerball jackpot has approached record-high levels throughout April, lottery ticket sales hit \$2 million on April 26, giving lottery retailers \$100,000 in sales commissions for the first month. The Lottery congratulates the top ten retailers in the state:

Harley's Conoco in Minot, Dan's Supermarket #2 and Dan's #3 of Bismarck, Barlow's Miracle Mart South in Minot, M&H Gas in Mandan, M&H Gas in Minot, Hornbacher's Southgate and Hornbacher's Village West in Fargo, B&J Tesoro in Bismarck and M&H Gas in Jamestown.

Rural Lottery Retailers

Retailers in less populated areas of the state are also enjoying the interest in lottery tickets. Kenmare Farmers Union Oil, the closest lottery retailer to Canada on Highway 52, has averaged over \$1,500 in weekly ticket sales, mainly to truckers, construction crews and Canadians. The Mohall Cenex Farmers Union Oil, located on Highway 5 only 20 miles from the Canadian border, has lottery ticket sales of almost \$2,000 a week.

Get The Winning Numbers via E-mail

Powerball.com offers a free subscription to receive the winning numbers after each draw on Wednesdays and Saturdays. This subscription also will update you on the next estimated jackpot and

provides a link for you to watch the recorded draw. To subscribe go to www.powerball.com and click on "Get these results by e-mail" at the bottom of the page.

Sign up for E-mail notices

For your convenience, and as a cost saving measure, future issues of *Retailer News* will be sent via e-mail. The Lottery will also use e-mail to send time sensitive communications, and provide customer service. Please contact Jason at the Lottery's office at 328-1574 or jbarkley@state.nd.us if you are interested in signing up for our free e-mail service.

Terminal Stickers

The original terminal stickers had an incorrect phone number. Replacement stickers with the correct phone number of 1-877-635-6886 were mailed to you with the March newsletter. Please make sure that you have placed this new sticker on your terminal as soon as possible. If you have lost this sticker, please contact Jason at the Lottery office.



Introduction of New Game

The North Dakota Lottery will introduce its new game, **Hot Lotto**, on June 24, 2004. Hot Lotto is currently played in the District of Columbia, Iowa, Minnesota, Montana, New Hampshire, South Dakota, and West Virginia. More information will follow at a later date.

Questions and Answers

April 2004

When should a retailer change ticket stock? How much ticket stock remains on the roll when the red ink indicator on the edge of the paper first appears?	Ticket stock is similar to cash register tape, both having a red ink indicator on the edge of the paper that is close to the cardboard core. It is not possible to know exactly how many tickets may yet be printed when the red ink indicator appears on the ticket stock. Please change the ticket stock when the red ink indicator first appears.
When should a retailer order additional ticket stock?	Please order additional ticket stock when the 4 th roll of ticket stock from a carton is loaded.
What happens if a ticket is a winning ticket and upon validation the terminal doesn't say, "Congratulations, you're a winner!"?	Sometimes, for unknown reasons, a terminal cannot properly read the ticket. On the bottom-center of the main screen is a CASH icon. This icon enables the clerk to manually enter the 15-digit serial number located in the upper left-hand corner of the ticket. The terminal will recognize the serial number and print a receipt. Because this method does not brand the winning ticket, the retailer should keep and attach the ticket to the retailer's receipt.
If a retailer offers grocery home delivery service, can the retailer also deliver a ticket?	No.
If a retailer creates a more convenient spot for the terminal, can the retailer move it?	No. A retailer must contact Scientific Games or the North Dakota Lottery for assistance. A field technician will assist the retailer in moving and reconnecting the terminal.
Can a player win more than one time on a ticket if the ticket has more than one line (play)?	Yes. A player can win on each line of numbers on a ticket. For example, if there are five sets of numbers on one ticket, a player can win a prize for each line and is entitled to the highest prize per line.
When is the "official" end of a Lottery day? Is it Midnight or 2:30 a.m.?	The official end of a Lottery day is 2:30 a.m.
For sales transactions that occur between midnight and 2:30 a.m., for which day are the sales counted?	The sales transactions are accounted for on the prior calendar day's sales report.
Does a retail clerk need to be 18 years of age to sell tickets?	No. A retail clerk under the age of 18 may sell lottery tickets.

Questions and Answers

When a retailer balances daily transactions, what date does the retailer use? Is it the date that automatically appears on the keypad?	The current day's date will automatically appear on the keypad upon accessing the daily activity report. However, if a retailer is balancing the previous day's transactions, the retailer should use the back arrow key to delete the current day's date and enable the retailer to key in the desired day's date that the retailer is balancing.																		
Many players have asked to cash winning tickets from other state lotteries. Can a retailer do it?	No. The terminals do not have the capability of reading tickets of other state lotteries. Other state lottery terminals do not have the capability of reading North Dakota Lottery tickets.																		
Should a retailer sign off the terminal?	If the terminal is unattended or a retailer has stopped selling tickets for the day, the retailer should sign off by using the Sign Off function located in the lower left-hand corner on the main screen of the terminal. Do not ever turn off the terminal.																		
Do lottery numbers printed on a ticket have to be in the same order as they are drawn?	No. The numbers printed on a ticket are always printed in order of lowest to highest. The winning numbers are drawn in a random order and then posted in order of lowest to highest.																		
If a customer signs the bottom of a play slip, why does the terminal not read the play slip?	There are three black squares on the bottom of the play slip that are used for magnetic ink character recognition (MICR) by the terminal. If there are any marks in that area, the play slip cannot be read.																		
Sometimes the terminal displays the ticket and amount due before printing the ticket and sometimes it doesn't. What is the deciding factor?	The deciding factor is the cost of the ticket. For a sales transaction of \$6 or more, the terminal will display the cost of the ticket and prompt the clerk to collect the money before printing the ticket.																		
Must a player redeem a winning ticket at the same retailer where the player bought the ticket?	No. A player may redeem a winning ticket at any retailer in North Dakota.																		
What is the approximate breakdown of each \$1 sale of a Powerball ticket?	<table> <tr> <td>Prizes</td><td>0.48¢</td></tr> <tr> <td>Prize Reserve Fund</td><td>0.02¢</td></tr> <tr> <td>On-line vendor fee</td><td>0.11¢*</td></tr> <tr> <td>Retailer commissions</td><td>0.05¢</td></tr> <tr> <td>Advertising & marketing</td><td>0.03¢</td></tr> <tr> <td>Administrative expense</td><td>0.05¢</td></tr> <tr> <td>Operating expense</td><td>0.03¢*</td></tr> <tr> <td>Problem Gambling fund</td><td>0.02¢*</td></tr> <tr> <td>General Fund</td><td>0.21¢</td></tr> </table> <p>*Rounded to 2 decimal places.</p>	Prizes	0.48¢	Prize Reserve Fund	0.02¢	On-line vendor fee	0.11¢*	Retailer commissions	0.05¢	Advertising & marketing	0.03¢	Administrative expense	0.05¢	Operating expense	0.03¢*	Problem Gambling fund	0.02¢*	General Fund	0.21¢
Prizes	0.48¢																		
Prize Reserve Fund	0.02¢																		
On-line vendor fee	0.11¢*																		
Retailer commissions	0.05¢																		
Advertising & marketing	0.03¢																		
Administrative expense	0.05¢																		
Operating expense	0.03¢*																		
Problem Gambling fund	0.02¢*																		
General Fund	0.21¢																		

Lottery Retailers “Exceptional”

North Dakota Lottery Sales Are Number One In The Nation

The North Dakota Lottery launched on March 25, 2004, with it's first Powerball® ticket sale at Hornbacher's Southgate, a locally owned grocery store chain, in Fargo. Gross ticket sales, on a per capita basis, surpassed the nation's previous Powerball® sales record within the first seven hours of state-wide sales.

By the end of the day, retailers had sold 57,344 tickets with gross ticket sales of \$148,350. North Dakota's per capita sales of 23.4 cents now ranks the North Dakota Lottery as the most successful Powerball® launch in the nation. The previous per capita record was 18.3 cents. It will be difficult for any state lottery to break this record.

Ticket sales reached a rate of over two per second within the first thirty minutes. Statewide, retailers were reporting increased sales during the noon hour and after 5:00 pm. Lottery statistics show sales of over \$33,000 between 5:30 p.m. and 9:30 p.m., an average of \$137 per minute.

Representatives of Scientific Games International, the North Dakota Lottery's on-line vendor, were at all 6 launch sites and said the Lottery's launch was one of the smoothest and most aggressive the company had ever experienced.

H2M, the North Dakota Lottery's ad agency, arranged for Lady Luck to arrive at the Fargo and Grand Forks celebrations while the Lottery's "Live it up, For a Buck, You Could Meet Lady Luck" musical jingle was playing. H2M did a superb job in creating all of the Lottery's point-of-sale items, and television, radio, billboard, and print ads, and musical jingle - all in less than two months.

Attorney General Wayne Stenehjem presided over launch ceremonies at Hornbacher's Southgate in Fargo and at Hugo's #8 in Grand Forks. Stenehjem sold the state's first ticket to Representative Andy Maragos (R-Minot), who was instrumental in getting the lottery passed in North Dakota.

Other launch celebrations were held at Harley's Conoco in Minot, Economart in Williston, DJ's Amoco in Dickinson, and Dan's Supermarket in Bismarck. The host retailers provided an extraordinary array of free items for the celebrations, and decorated with banners and balloons. There were ribbon-cutting ceremonies. Media personnel from many television and radio stations and newspapers were present, and there were live remote radio broadcasts. You could feel the excitement in the air as history was being made.

Ribbon Cutting ceremonies, launching the North Dakota lottery in Bismarck (with Lottery Advisory Chair Rep. Rae Ann Kelsch and Rep. Bob Martinson) and Williston.



Power Play: “The Prize Multiplier”

There have been many questions on the Power Play option available to players. For your information, here's a picture of the Power Play wheel, and a description of how Power Play works:



Before each Powerball draw, a ball is dropped into this wheel. There are 15 numbered slots: 6 fives, 3 fours, 3 threes, and 3 twos. As the wheel is spinning the ball falls through the pegs to the bottom of the wheel and lands in one of the designated numbered slots. This numbered slot is the Power Play Prize Multiplier for that night's draw.

A player can purchase the Power Play option for an additional \$1. All prizes, except the jackpot, are multiplied by this Power Play number (winning 2, 3, 4, or 5 times the original prize amount).

For example, a player buys the \$1 Power Play, matches three numbers, and the Power Play number is 5, the player's original \$7 prize will be multiplied by the Power Play number of 5, increasing the winnings to \$35. If the player had matched 5 white ball numbers for \$100,000, the prize would multiply to \$500,000!**

Please make sure your employees follow the terminal prompt and ask players if they want to buy the Power Play option for an additional \$1. The sale of the Power Play option doubles your commission and can multiply a player's prize! Your players will thank you when they come to redeem their winning ticket, that will be valued at 2 to 5 times more than the standard prize value.

Many players have won prizes playing Powerball. Since March 25th, over 43,000 winning Powerball tickets have been sold in North Dakota, for almost \$303,000 in prizes. These winning tickets have ranged from \$3 to \$5000 prizes. Only 20 percent of these winning tickets had multiplied the prize by buying the Power Play option.

There are 9 ways to win, so please suggest your players check the winning numbers and their tickets closely. The white balls represent the first five numbers that are drawn, while the red ball represents the Powerball and the sixth number drawn. The white balls do NOT have to be drawn in the order they are listed on the lottery ticket. Players can check their tickets at any licensed lottery retailer.

*** See the tables on page 5, for Power Ball and Power Play odds and prizes.*



Powerball Prizes and Odds

Match	Prize	Odds
5 + Powerball	Grand Prize	1 in 120,526,770.00
5 white balls	\$100,000	1 in 2,939,677.32
4 + Powerball	\$5,000	1 in 502,194.88
4 white balls	\$100	1 in 12,248.66
3+ Powerball	\$100	1 in 10,685.00
3 white balls	\$7	1 in 260.61
2 + Powerball	\$7	1 in 696.85
1 + Powerball	\$4	1 in 123.88
Powerball	\$3	1 in 70.39

The overall odds of winning a prize are 1 in 36.06.

The odds presented here are based on a \$1 play and are rounded to two decimal places.

PowerPlay Prizes and Odds

Match	Prize	Multiplier of			
		2 (Odds 1:5)	3 (Odds 1:5)	4 (Odds 1:5)	5 (Odds 1:2.5)
5 + Powerball	Jackpot	--	--	--	--
5 white balls	\$100,000	\$200,000	\$300,000	\$400,000	\$500,000
4 + Powerball	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000
4 white balls	\$100	\$200	\$300	\$400	\$500
3 + Powerball	\$100	\$200	\$300	\$400	\$500
3 white balls	\$7	\$14	\$21	\$28	\$35
2 + Powerball	\$7	\$14	\$21	\$28	\$35
1 + Powerball	\$4	\$8	\$12	\$16	\$20
Powerball	\$3	\$6	\$9	\$12	\$15

POWERPLAY®



Office of Attorney General
Lottery Division
600 East Boulevard Avenue
Dept. 125
Bismarck, ND 58505-0040

(701) 328-1574
1-877-NDLOTTO (635-6886)
FAX (701) 328-1580

We're on the web:

www.ndlottery.org
